

**MINUTES  
REGULAR BOARD MEETING  
THURSDAY, FEBRUARY 16, 2006, 9:00 A.M.**

Board Members Present at Roll Call: Les Abrams, Rod Bolden, Lee Ann Elliott, Tom Heineman, Cynthia Henry, Gaye Rutan, Sarah Vetault. A quorum was present. Board Members Absent: Gabe Corral, Myra Jefferson.

Also Present at Roll Call: Debb Pearson, Executive Director; Crickett Payne, Regulatory Compliance Administrator; Beth Campbell, Assistant Attorney General.

Tom Heineman acted as Chairperson.

The Board pledged allegiance to the flag of the United States of America.

Lee Ann Elliott moved that the Minutes of the January 19, 2006, Regular Board Meeting be approved. Gaye Rutan seconded the motion. The Board voted unanimously in favor of the motion.

**PUBLIC ANNOUNCEMENTS AND CALL TO PUBLIC**

David Tracy filed a Call to Public and spoke to the Board concerning condemnation and eminent domain. James Woodfin Thomas, USDA/FSA, filed a Call to Public and spoke to the Board concerning disposition of complaints 1310/1392, Jim L. Sanders.

**COMPLAINT REVIEW**

Tom Heineman recused himself.

Gaye Rutan acted as Chairperson.

Review and Action Concerning Issues Dealing With Formal Hearing Regarding 1310/1392 (02F-1310-BOA/03F-1392-BOA), Jim L. Sanders.

Respondent appeared before the Board. Elizabeth A. Campbell, Assistant Attorney General, represented the State of Arizona. Victoria Mangiapane, Assistant Attorney General, Solicitor General's Office, provided legal advice to the Board. Lee Ann Elliott moved that the Board go into Executive Session for legal advice. Sarah Vetault seconded the motion. The Board voted unanimously in favor of the motion. Upon return from Executive Session, the Board, having reviewed the record, heard oral arguments from the parties. Les Abrams moved that the Board accept the Administrative Law Judge's Findings of Fact 1-20, inclusive, with corrections to typographical errors, to read as follows:

#### **FINDINGS OF FACT**

1. The Arizona State Board of Appraisal ("Board") is the state agency authorized to regulate and control the licensing and certification of real property appraisers in the State of Arizona.

2. Jim L. Sanders ("Respondent") is a Certified General Appraiser in Arizona. He is the holder of Certificate No. 30203, issued on August 15, 1991. This certificate permits Respondent to perform real property appraisals and appraisal reviews in Arizona.

3. Appraisers in Arizona are required to comply with the *Uniform Standards of Professional Practice* ("USPAP") published by the Appraisal Standards Board of The Appraisal Foundation, authorized by Congress as the source of appraisal standards and appraiser qualifications.

#### **Case No. 1310**

4. The subject property in this case, known as the Shim Bennett Farm, is located at 10726 N. Fort Grant Road in Wilcox, Arizona. The subject property is irrigated farmland with a single family residence and miscellaneous outbuildings.

5. Respondent prepared an appraisal report for the subject property with an effective date of April 14, 2002. That report was prepared in connection with a bankruptcy proceeding. Respondent signed the appraisal report in the capacity of "Certified General Real Estate Appraiser No. 30203 (Arizona)."

6. The USPAP 2002 edition applies to this appraisal report.

7. Respondent's appraisal report utilized only one comparable sale, which was not an arms-length transaction according to information obtained from an attorney involved in the transaction.

8. Respondent valued the subject property as other than farmland, but did not consider additional nonfarm sales.

9. In the income approach, Respondent considered only one crop option, pumpkins, and utilized generic income and expense data.

10. There was sufficient rental and expense data available to Respondent through the neighborhood that was more accurate and applicable.

11. Respondent's appraisal report did not clearly specify which report option was being used. USPAP Standards Rule 2-2 requires that every appraisal report be prepared under one of the following three options and prominently state which option is being used: self-contained appraisal report; summary report; or restricted use appraisal report. Respondent's appraisal report stated that it was a restricted and summary report.

12. Utilizing only a single questionable sale and incorporating general income and expense data rather than reliable local data is insufficient to support or understand the conclusion of value. This is a violation of USPAP Standards Rule 2-2(b)(ix).

13. The subject property was a farm. However, the basis of Respondent's value was that the property could no longer be farmed. Respondent failed to identify this conclusion as an extraordinary assumption under USPAP Standards Rule 1-2(g).

14. Respondent's appraisal report fails to provide a specific or definite conclusion as to the highest and best use for the subject property. This is a violation of USPAP Standards Rule 1-3(b).

**Case No. 1392**

15. The subject property in this case is located at 10726 N. Fort Grant Road in Wilcox, Arizona. The subject property is irrigated farmland with a single family residence and miscellaneous outbuildings.

16. Respondent together with Alfred M. Benson, an Arizona Certified General Appraiser, signed an appraisal review of an appraisal performed on the subject property by William D. Peterson (the "Peterson Review"). The date of the review of Mr. Peterson's appraisal was August 21, 2002.

17. Respondent together with Mr. Benson signed an appraisal review of an appraisal review by J. Woodfin Thomas (the "Thomas Review"). The date of the review of Mr. Thomas' review was August 22, 2002. The appraisal review by Mr. Thomas was the appraisal of the subject property that had been performed by Respondent on April 14, 2002.

18. By signing the certification, Respondent accepted full responsibility for all elements of the certification, for the assignment results, and for the contents of the appraisal review report.

19. Neither the Peterson Review nor the Thomas Review includes the specific purpose of the review in violation of USPAP Standards Rule 3-1(a).

20. Neither the Peterson Review nor the Thomas Review includes the date of the work under review in violation of USPAP Standards Rule 3-1(b)(iv).

Rod Bolden seconded the motion. The Board voted unanimously in favor of the motion. Les Abrams moved that the Board accept the Administrative Law Judge's Conclusions of Law 1-9, inclusive, to read as follows:

**CONCLUSIONS OF LAW**

1. The Board has jurisdiction over Respondent and the subject matter in these two cases.

2. Respondent does not qualify for immunity pursuant to A.R.S. § 32-3602(8) in connection with his appraisal report for the Shim Bennett Farm, which was used in a bankruptcy proceeding. That statute provides, among other things, that “[a]n individual providing an opinion under the exemption of this statute shall not represent or imply in any report or testimony that the individual testifying is licensed or certified under this chapter.” Respondent’s appraisal report clearly states that he is a certified appraiser. Therefore, Respondent is subject to the Board’s statutes and rules, which include applicable USPAP standards.

3. Pursuant to A.R.S. § 41-1092.07(G)(2), the Board has the burden of proof in these matters. The standard of proof is a preponderance of the evidence. A.A.C. R2-19-119(A).

4. The conduct described in the above Findings constitutes a violation by Respondent of A.R.S. § 32-3631(6) [Violation of any of the standards of the development or communication of appraisals as provided in this chapter].

5. The conduct described in the above Findings constitutes a violation by Respondent of A.R.S. § 32-3631(7) [Negligence or incompetence in developing an appraisal, in preparing an appraisal report, or in communicating an appraisal]. An appraiser’s conduct is negligent if it falls below the recognized standard of care of good appraisal practice by violating the standards of practice adopted by the Board.

6. Pursuant to A.R.S. § 32-3635, a certified or licensed appraiser in Arizona shall comply with the standards of practice adopted by the Board. The standards of practice adopted by the Board are codified in the applicable USPAP edition at the time of the conduct described.

7. The conduct described in the above Findings for Case No. 1310 constitutes violations by Respondent of the following provisions of USPAP, 2002 edition: Standards Rule 1-1(b); the reporting option requirement of Standards Rule 2-2; Standards Rule 2-2(b)(ix); Standards Rule 1-2(g); and Standards Rule 1-3(b).

8. The conduct described in the above Findings for Case No. 1392 constitutes violations by Respondent of the following provisions of USPAP, 2002 edition: Standards Rule 3-1(a); Standards Rule 3-1(b)(iv); and Standards Rule 3-2(f).

9. Pursuant to A.R.S. §§ 32-3631, 32-3632 and 32-3605(B)(12), disciplinary action may be imposed upon Respondent for his above-described violations.

Cynthia Henry seconded the motion. The Board voted unanimously in favor of the motion. Les Abrams moved that the Board find Level III Violations and modify the Administrative Law Judge's Order to be consistent with prior Board orders, to read as follows:

### **ORDER OF PROBATION**

In issuing this order of discipline, the Board considers its obligations to fairly and consistently administer discipline, its burden to protect the public welfare and safety, as well as all aggravating and mitigating factors presented in the case. Based on the foregoing Findings of Fact and Conclusions of Law, IT IS HEREBY ORDERED:

1. Beginning on the effective date of this Order, Respondent's Certificate No. 30203 shall be placed on probation until respondent successfully completes the following education and submits proof of successful completion to the Board:

- a. At least 40 hours of qualifying education in report writing; and
- b. At least 15 hours of qualifying education in highest and best use.

2. The education required under paragraph 1 must be completed within twelve (12) months of the effective date of this Order. The same course may not be repeated more than once to satisfy the requirements of paragraph 1.

3. The education required under paragraph 1 may be counted toward the continuing education requirements for the renewal of Respondent's certificate.

4. The Respondent shall bear all costs and expenses incurred in attending the courses.

5. Respondent shall not act as a supervising appraiser for other appraisers or trainees, nor shall he teach any appraisal related class or act as a mentor, during the term of the probation.

6. Respondent shall comply with the Uniform Standards of Professional Appraisal Practice in performing all appraisals.

7. If Respondent fails to renew his license while under probation and subsequently applies for a license or certificate, the remaining term of probation, including any education and mentorship, shall be imposed if the application for license or certificate is granted.

8. Time is of the essence with regard to this Order.

9. Pursuant to the Board's Substantive Policy Statement #1, the Board considers the violations set forth herein to amount to a Level III Violation for disciplinary purposes.

**RIGHT TO PETITION FOR REHEARING OR REVIEW**

Respondent is hereby notified that he has the right to petition for a rehearing or review. Pursuant to A.R.S. § 41-1092.09, as amended, the petition for rehearing or review must be filed with the Board's Executive Director within thirty (30) days after service of this Order and pursuant to A.A.C. R4-46-303, it must set forth legally sufficient reasons for granting a rehearing or review. Service of this order is effective five days after mailing. If a motion for rehearing or review is not filed, the Board's Order becomes effective thirty-five (35) days after it is mailed to Respondent.

Respondent is further notified that the filing of a motion for rehearing or review is required to preserve any rights of appeal to the Superior Court.

Rod Bolden seconded the motion. The Board voted 4-2 in favor of the motion upon the following roll call vote: Les Abrams--yes; Rod Bolden--yes; Lee Ann Elliott--no; Cynthia Henry--yes; Gaye Rutan--yes; Sarah Vetault--no.

Tom Heineman acted as Chairperson.

**Review and Action Concerning Issues Dealing With Formal Hearing Regarding 1498/1782/1784 (03F-1498-BOA/04F-1782-BOA/04F-1784-BOA), Felicia M. Coplan.**

Respondent and her attorney, Kenneth L. Gregory, appeared. Elizabeth A. Campbell, Assistant Attorney General, represented the State of Arizona. Victoria Mangiapane, Assistant Attorney General, Solicitor General's Office, provided legal advice to the Board. The Board, having reviewed the record, heard oral arguments from the parties. Gaye Rutan moved that the Board deny Respondent's Motion for Rehearing because she failed to demonstrate that she possessed newly discovered evidence relevant to her case and she did not demonstrate any other reason materially affecting her rights as required pursuant to A.A.C. R4-46-303. Sarah Vetault seconded the motion. The Board voted unanimously in favor of the motion. The Board's Findings of Fact, Conclusions of Law and Order of Probation dated November 22, 2005, is now final.

**Review and Action Concerning Issues Dealing With Formal Hearing Regarding 2021 (05F-2021-BOA, James A. Broderick.**

Respondent did not appear. Elizabeth A. Campbell, Assistant Attorney General, represented the State of Arizona. Victoria Mangiapane, Assistant Attorney General, Solicitor General's

Office, provided legal advice to the Board. The Board, having reviewed the record, heard oral argument from the State. Lee Ann Elliott moved that the Board deny Respondent's Motion for Review because he failed to demonstrate that he possessed newly discovered evidence relevant to his case and he did not demonstrate any other reason materially affecting his rights as required pursuant to A.A.C. R4-46-303. Cynthia Henry seconded the motion. The Board voted unanimously in favor of the motion. The Board's Findings of Fact, Conclusions of Law and Order of Revocation dated December 16, 2005, is now final.

Review and Action Concerning Issues Dealing With Formal Hearing Regarding 2068 (05F-2068-BOA), Brian P. Smith.

Respondent and his mentor appeared. Elizabeth A. Campbell, Assistant Attorney General, represented the State of Arizona. Victoria Mangiapane, Assistant Attorney General, Solicitor General's Office, provided legal advice to the Board. The Board, having reviewed the record, heard oral arguments from the parties. Sarah Vetault moved that the Board accept Respondent's late logs and education; and require additional education. Les Abrams seconded the motion. The Board voted unanimously in favor of the motion. Sarah Vetault moved that the Board rescind its referral to the Office of Administrative Hearings (OAH) for formal hearing. Gaye Rutan seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning Issues Dealing With Formal Hearing Regarding 2046 (05F-2046-BOA), Andrew D. Brock.

Respondent did not appear. Elizabeth A. Campbell, Assistant Attorney General, represented the State of Arizona. Victoria Mangiapane, Assistant Attorney General, Solicitor General's Office, provided legal advice to the Board. The Board, having reviewed the record, heard oral arguments from the State. Sarah Vetault moved that the Board accept the Administrative Law Judge's Findings of Fact 1-7, inclusive, to read as follows:

**FINDINGS OF FACT**

1. The Arizona State Board of Appraisal ("Board") is the state agency authorized to regulate and control the licensing and certification of real property appraisers in the State of Arizona.
2. Andrew D. Brock ("Respondent") is a Licensed Residential Appraiser in the State of Arizona. He is the holder of License No. 10876 issued by the Board on April 8, 2003. This license permits Respondent to perform certain real property appraisals and appraisal reviews in Arizona.

3. On or about April 29, 2005, Respondent filed a Biennial Renewal Application ("Application") with the Board.

4. Respondent answered "No" to question number 9(c) on the Application, which read: "Are there any pending complaints or completed adverse actions against you with regard to any licenses, certificates, or permits to practice any regulated profession, occupation, or vocation?"

5. Respondent signed the Application's VERIFICATION BY OATH OR AFFIRMATION under penalty of perjury.

6. Respondent made a false statement on his Application when he failed to disclose that, on or about March 31, 2005, the Ohio Real Estate Appraiser Board ("Ohio Board") issued a Finding, Order and Grounds for Action ("Order") in its Case Nos. 2003-000469 and 2003-00892. In that Order, the Ohio Board found that Respondent had committed the charged violations in counts one through and including seven. The Ohio Board ordered that Respondent's Ohio real estate appraisal license be revoked as to counts two, four, six and seven.

7. The Board was unaware of the Ohio Board's March 31, 2005 Order when it renewed Respondent's license.

Gaye Rutan seconded the motion. The Board voted unanimously in favor of the motion. Sarah Vetault moved that the Board accept the Administrative Law Judge's Conclusions of Law 1-5, inclusive, to read as follows:

#### **CONCLUSIONS OF LAW**

1. The Board has jurisdiction over Respondent and the subject matter in this case.

2. Pursuant to A.R.S. § 41-1092.07(G)(2), the Board has the burden of proof in this case. The standard of proof is a preponderance of the evidence.

3. Respondent's false statement in response to question number 9(c) on the Application constitutes a violation of A.R.S. § 32-3631(A)(1) [Procuring or attempting to procure a license or certificate pursuant to this chapter by knowingly making a false statement, submitting false information in response to a question in an application for a license or certificate or committing any form of fraud or misrepresentation].

4. Respondent's false statement in response to question number 9(c) on the Application constitutes a violation of A.R.S. § 32-3631(A)(5) [An act or omission involving dishonesty, fraud or misrepresentation with the intent to substantially benefit the license or certificate holder or another person or with the intent to substantially injure another person].

5. As a result of the above violations by Respondent, disciplinary action may be imposed pursuant to A.R.S. § 32-3631(A).

Lee Ann Elliott seconded the motion. The Board voted unanimously in favor of the motion. Gaye Rutan moved that the Board find Level V Violations and modify the Administrative Law Judge's Order to be consistent with prior Board orders, to read as follows:

**ORDER OF REVOCATION**

In issuing this order of discipline, the Board considers its obligations to fairly and consistently administer discipline, its burden to protect the public welfare and safety, as well as all aggravating and mitigating factors presented in the case. Based on the foregoing Findings of Fact and Conclusions of Law, **IT IS HEREBY ORDERED:**

1. That License No. 10876 issued to Respondent to practice as a Licensed Residential Appraiser be revoked as of the effective date of this Order.

2. That Respondent shall immediately surrender his license by returning it to the Board offices.

3. That Respondent may not accept fees for or perform appraisals, appraisal reviews, consulting assignments, or any services governed by the Uniform Standards of Professional Appraisal Practice, A.R.S. § 32-3601, *et seq.*, or the rules promulgated thereunder.

4. That Respondent is hereafter subject to the provisions of A.R.S. § 32-3638, which states that any person who is not licensed or certified as an appraiser and performs a real estate appraisal or appraisal review, or uses the designation of licensed or certified appraiser and/or provides false information to the Board is guilty of a Class 1 misdemeanor.

5. That if Respondent reapplies for licensing or certification as an appraiser in the State of Arizona in the future, this disciplinary action may be considered as part of the substantive review of any application submitted by Respondent, pursuant to A.R.S. § 32-3611(D).

6. That if Respondent reapplies for licensing or certification as an appraiser in the State of Arizona in the future, all qualifying education and experience must be obtained subsequent to the date of this order.

7. Pursuant to the Board's Substantive Policy Statement #1, the Board considers the violations set forth herein to amount to Level V Violations for disciplinary purposes.

**RIGHT TO PETITION FOR REHEARING OR REVIEW**

Respondent is hereby notified that he has the right to petition for a rehearing or review. Pursuant to A.R.S. § 41-1092.09, as amended, the petition for rehearing or review must be filed with the Board's Executive Director within 30 days after

service of this Order and pursuant to A.A.C. R4-46-303, it must set forth legally sufficient reasons for granting a rehearing or review. Service of this order is effective five days after mailing. If a motion for rehearing or review is not filed, the Board's Order becomes effective 35 days after it is mailed to Respondent.

Respondent is further notified that the filing of a motion for rehearing or review is required to preserve any rights of appeal to the Superior Court.

Gaye Rutan seconded the motion. The Board voted unanimously in favor of the motion upon the following roll call vote: Les Abrams--yes; Rod Bolden--yes; Lee Ann Elliott--yes; Tom Heineman--yes; Cynthia Henry--yes; Gaye Rutan--yes; Sarah Vetault--yes.

Status Report and Discussion Concerning Issues Dealing With Formal Hearing Regarding LC2004-000900-001DT (98F-0544-BOA), Lawrence E. Bloom.

Beth Campbell advised the Board that Respondent had filed a Notice of Appeal of Superior Court Judgment in favor of the Board.

Informal Hearing Concerning 1975, Burnell Q. Rowe.

Respondent appeared, was sworn in, made statements to the Board and answered the Board's questions. Gaye Rutan moved that the Board find Level IV Violations and offer respondent a Consent Agreement and Order of Discipline citing violations and providing for probation, mentorship and education. Sarah Vetault seconded the motion. The Board voted unanimously in favor of the motion.

Informal Hearing Concerning 2032, Lance R. Freeman.

Respondent appeared, was sworn in, made statements to the Board and answered the Board's questions. Gaye Rutan moved that the Board find Level II Violations and issue respondent a nondisciplinary letter of remedial action citing violations and requiring education. Cynthia Henry seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 1967, Corrie P. Boswell.

Respondent appeared. Les Abrams moved that the Board go into Executive Session for legal advice. Sarah Vetault seconded the motion. The Board voted unanimously in favor of the motion. Upon return from Executive Session, Gaye Rutan moved that the Board rescind its due diligence consent letter. Les Abrams seconded the motion. The Board voted unanimously in favor of the motion. Gaye Rutan moved that the Board find no

violations and dismiss the complaint. Rod Bolden seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2061/2062, Debra J. Rudd.

Respondent appeared. Gaye Rutan moved that the Board reconsider its prior findings. Sarah Vetault seconded the motion. The Board voted unanimously in favor of the motion. Gaye Rutan moved that the Board rescind its due diligence consent letter. Sarah Vetault seconded the motion. The Board voted unanimously in favor of the motion. Gaye Rutan moved that the Board find no violations and dismiss the complaint. Sarah Vetault seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2104, Gregory L. Yaste.

Respondent appeared. Staff summary was read. Gaye Rutan moved that the Board find Level I Violations and offer respondent a nondisciplinary letter of concern citing violations. Rod Bolden seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 1714/1715, Bruce D. Greenberg.

Respondent and his attorney appeared. Gaye Rutan moved that the Board grant Respondent's request for early termination of probation effective February 23, 2006. Les Abrams seconded the motion. The Board voted unanimously in favor of the motion.

Informal Hearing Concerning 2039, Hayden L. Meier.

Respondent appeared, was sworn in, made statements to the Board and answered the Board's questions. Sarah Vetault moved that the matter be referred to formal hearing before the Office of Administrative Hearings (OAH). Rod Bolden seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2089, Peter J. Martori.

Respondent appeared. Staff summary was read. Gaye Rutan moved that the Board find no violations and dismiss the complaint. Sarah Vetault seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2042, Diane E. Waring.

Minutes  
February 16, 2006  
Page 12

Respondent did not appear. Gaye Rutan moved that the Board find Level II Violations and offer respondent a nondisciplinary letter of remedial action citing violations and requiring education. Les Abrams seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 1858, Paul A. Watts.

Respondent did not appear. Gaye Rutan moved that the Board open Complaint 2134 against Respondent for noncompliance with the 2/05 due diligence consent letter. Sarah Vetault seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2094, Larry Abbott, Jr.

Respondent did not appear. Staff summary was read. Gaye Rutan moved that the Board find no violations and dismiss the complaint. Sarah Vetault seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2095, Lloyd K. Boswell.

Respondent did not appear. Staff summary was read. Gaye Rutan moved that the matter be referred to an investigator. Sarah Vetault seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2096, L. Blake Bedell.

Respondent appeared. Staff summary was read. Gaye Rutan moved that staff subpoena additional information. Sarah Vetault seconded the motion. The motion was withdrawn. Gaye Rutan moved that the Board find Level I Violations and offer respondent a nondisciplinary letter of concern citing violations. Lee Ann Elliott seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2101, Roy E. Morris III/2102, James S. Vournas.

Respondent in 2101 did not appear. Respondent in 2102 appeared. Staff summary was read. Gaye Rutan moved that the Board find no violations and dismiss the complaints. Sarah Vetault seconded the motion. The Board voted 4-3 in favor of the motion upon the following roll call vote: Les Abrams–no; Rod Bolden–yes; Lee Ann Elliott–yes; Tom Heineman–no; Cynthia Henry–yes; Gaye Rutan–no; Sarah Vetault–yes.

Review and Action Concerning 2106, Eddie A. Zillmer.

Respondent appeared. Staff summary was read. Gaye Rutan moved that the Board find no violations and dismiss the complaint. Sarah Vetault seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2105, Kent D. Maas.

Respondent did not appear. Staff summary was read. Sarah Vetault moved that the Board find no violations and dismiss the complaint. Gaye Rutan seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 2103, Bruce W. Smith.

Respondent did not appear. Staff summary was read. Sarah Vetault moved that the Board find Level I Violations and offer respondent a nondisciplinary letter of concern citing violations. Gaye Rutan seconded the motion. The Board voted unanimously in favor of the motion.

Gaye Rutan acted as Chairperson.

Review and Action Concerning 1310/1392, Jim L. Sanders.

Tom Heineman recused himself. Respondent did not appear. Sarah Vetault moved that, based on the Board's 12-month review, the complaints proceed as previously voted by the Board. Les Abrams seconded the motion. The Board voted unanimously in favor of the motion.

Tom Heineman acted as Chairperson.

Review and Action Concerning 1571/1572/1834/1840, Richard C. Blackburn.

Respondent did not appear. Gaye Rutan moved that, based on the Board's 12-month review, the complaints proceed as previously voted by the Board. Sarah Vetault seconded the motion. The Board voted unanimously in favor of the motion.

Review and Action Concerning 1646/1766, Rodney L. Martensen.

Respondent did not appear. Gaye Rutan moved that, based on the Board's 12-month review, the complaints proceed as previously voted by the Board. Sarah Vetault seconded the motion. The Board voted unanimously in favor of the motion.

## **APPLICATION REVIEW**

### Review and Action Concerning Certified General Application 5677, Scott A. McHenry.

Les Abrams moved that the Board deny certified general application #5677, Scott A. McHenry, pursuant to A.R.S. §§ 32-3611(D), 32-3631(A)(1) and 32-3631(A)(5). Tom Heineman seconded the motion. The Board voted unanimously in favor of the motion.

### Review and Action Concerning Nonresident Temporary Application 5684, Edward P. Karabedian.

Tom Heineman moved that the Board deny nonresident temporary application #5684, Edward P. Karabedian, pursuant to A.R.S. §§ 32-3611(D), 32-3631(A)(2), 32-3631(A)(6), and 32-3631(A)(7). Les Abrams seconded the motion. The Board voted unanimously in favor of the motion.

## **BOARD CHAIRPERSON REPORT**

None.

## **EXECUTIVE DIRECTOR REPORT**

Debb Pearson reported on the status of the Assistant Attorney General's assignments; advised no complaint answer dates had been extended by staff; and reported the following complaint status for calendar year 2006 through 1/31/06:

Complaints filed	15	
Complaints dismissed	0	
Complaints referred to investigation		0
Complaints resolved with nondisciplinary letter of concern		0
Complaints resolved with nondisciplinary letter of remedial action		0
Complaints resolved with disciplinary letter of due diligence	0	
Complaints resolved with probation		1
Complaints referred to informal hearing	0	
Complaints referred to formal hearing	0	
Complaints resolved with suspension	0	
Complaints resolved with surrender		0
Complaints resolved with revocation		0
Complaints resolved with cease and desist letters		0

Violations Levels:

I	0
II	0
III	0
IV	0
V	1

### **APPLICATION REVIEW COMMITTEE REPORT**

Tom Heineman reported the following Arizona appraiser and property tax agent information as of January 18, 2006:

Licensed Residential	938
Certified Residential	859
Certified General	767
Nonresident Temporary	93
Property Tax Agents	288
Total	2657

Lee Ann Elliott moved that the Board accept the Committee's recommendations (see attached). Gary Rutan seconded the motion. The Board voted unanimously in favor of the motion.

Sarah Vetault left the meeting. A quorum remained.

### **APPRAISAL TESTING AND EDUCATION COMMITTEE REPORT**

Gaye Rutan moved that the Board approve the application submitted by Hogan School of Real Estate, Full Disclosure & How Stigmas Effect Property for three hours of continuing education to be instructed by Bruce Greenberg effective 2/23/06. Les Abrams seconded the motion. The Board voted unanimously in favor of the motion. Tom Heineman moved that the Board accept the Committee's recommendations (see attached). Lee Ann Elliott seconded the motion. The Board voted unanimously in favor of the motion.

### **OLD BUSINESS**

Discussion and Action in Response to the 1/06 Written Report from the Appraisal Subcommittee of the Federal Financial Institutions Examination Council Relative to its 11/05 Field Review.

Gaye Rutan moved that the Board go into Executive Session to discuss confidential information. Les Abrams seconded the motion. The Board voted unanimously in favor of the motion. The Board returned from Executive Session.

Discussion and Action Concerning Suggested Language Changes to Board Member Caveats.

Beth Campbell offered revised language to the Board member caveats.

**NEW BUSINESS**

Discussion and Action Concerning Attendance on Behalf of the Board at the State Regulator Advisory Group Meeting, and the Annual Spring Conference of the Association of Appraiser Regulatory Officials (AARO) to Be Held April 7-10, 2006, in San Antonio, Texas.

Staff was instructed to arrange for Debb Pearson and Tom Heineman to represent the Board at the meetings.

Discussion and Action Concerning the Election of Board Officers and Committee Appointments.

Tom Heineman nominated Les Abrams as Board Chairperson. Gaye Rutan seconded the nomination. The Board voted unanimously in favor of the nomination. Les Abrams nominated Tom Heineman as Board Vice Chairperson. Lee Ann Elliott seconded the motion. The Board voted 5-1 in favor of the nomination upon the following roll call vote: : Les Abrams–yes; Rod Bolden–yes; Lee Ann Elliott–yes; Tom Heineman–yes; Cynthia Henry–yes; Gaye Rutan–no. New committee assignments will be announced at the next Board meeting.

**CONFIRMATION OF MEETING DATES, TIMES, LOCATIONS AND PURPOSES**

The upcoming Committee and Board meetings were scheduled as follows:

**March**

15	Application Review	3:00 p.m.
16	Education	8:30 a.m.
16	Board Meeting	9:00 a.m.

Minutes  
February 16, 2006  
Page 18

## **ADJOURNMENT**

The meeting was adjourned.

Thomas E. Heineman, Chairperson